

CAMERON PARISH SHERIFF
(AS EX-OFFICIO TAX COLLECTOR)
Cameron, Louisiana

Financial Report

Year Ended June 30, 2013

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INDEPENDENT AUDITOR'S REPORT

The Honorable Ron Johnson
Cameron Parish Sheriff
Cameron, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Cameron Parish Sheriff, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Cameron Parish Sheriff, as of June 30, 2013, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 22 to the financial statements, the Cameron Parish Sheriff adopted the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, in 2013. Our opinion is not modified with respect to this matter.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the RSI on pages 35 through 38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Cameron Parish Sheriff has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Cameron Parish Sheriff's basic financial statements. The other supplementary information on pages 41 through 44 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2013 on our consideration of the Cameron Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cameron Parish Sheriff's internal control over financial reporting and compliance.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 9, 2013

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

CAMERON PARISH SHERIFF
Cameron, Louisiana

Statement of Net Position
June 30, 2013

ASSETS

Cash	\$ 3,031
Interest-bearing deposits	13,627,154
Due from other governmental units	43,996
Prepaid items	52,161
Capital assets, net	<u>620,688</u>
Total Assets	<u>14,347,030</u>

LIABILITIES

Accounts and other payables	43,333
Deferred revenues	2,496,494
Long-term liabilities:	
Due within one year	129,399
Due in more than one year	<u>2,637,078</u>
Total Liabilities	<u>5,306,304</u>

NET POSITION

Net investment in capital assets	620,688
Unrestricted	<u>8,420,038</u>
Total Net Position	<u>\$ 9,040,726</u>

The accompanying notes are an integral part of the basic financial statements.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Statement of Activities
Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue And Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Public safety:				
Law enforcement	<u>\$6,544,570</u>	<u>\$ 303,433</u>	<u>\$ 538,907</u>	<u>\$ (5,702,230)</u>
Taxes:				
Property taxes, levied for general purposes				6,654,772
Grants and contributions not restricted to specific programs:				
State sources				13,558
Interest and investment earnings				11,463
Miscellaneous				36,708
Payments to Cameron Parish Police Jury				(351,735)
Gain on disposal of capital assets				<u>18,861</u>
Total general revenues				<u>6,383,627</u>
Change in net position				681,397
Net position - July 1, 2012				<u>8,359,329</u>
Net position - June 30, 2013				<u>\$ 9,040,726</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTION

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Balance Sheet - Governmental Fund
General Fund
June 30, 2013

ASSETS

Cash	\$ 3,031
Interest-bearing deposits	13,627,154
Due from other governmental agencies	43,996
Prepaid items	<u>52,161</u>
Total assets	<u>\$ 13,726,342</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 43,333
Deferred revenue	<u>2,496,494</u>
Total liabilities	<u>2,539,827</u>
Fund balance:	
Nonspendable	52,161
Unassigned	<u>11,134,354</u>
Total fund balance	<u>11,186,515</u>
Total liabilities and fund balance	<u>\$ 13,726,342</u>

The accompanying notes are an integral part of the basic financial statements.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
June 30, 2013

Total fund balance for governmental fund at June 30, 2013		\$11,186,515
Cost of capital assets at June 30, 2013	\$2,080,751	
Less: Accumulated depreciation	<u>(1,460,063)</u>	
Capital assets, net		620,688
Long-term liabilities at June 30, 2013		
Notes payable	(129,399)	
Net OPEB obligation payable	<u>(2,637,078)</u>	<u>(2,766,477)</u>
Net position at June 30, 2013		<u>\$ 9,040,726</u>

The accompanying notes are an integral part of the basic financial statements.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund - General Fund
Year Ended June 30, 2013

Revenues:

Ad valorem taxes	\$ 6,654,772
Intergovernmental revenues -	
Federal grants	23,622
State grants - state revenue sharing	63,403
State supplemental pay	314,289
Other	159,332
Fees, charges, and commissions for services -	
Commissions on licenses, taxes, etc.	49,969
Fines and forfeitures	19,937
Civil and criminal fees	123,579
Court costs and attendance	12,053
Feeding, keeping, and transporting prisoners	87,528
Other	38,894
Interest income	11,463
Total revenues	<u>7,558,841</u>

Expenditures:

Current -	
Public safety:	
Personal services and related benefits	4,623,603
Operating services	124,179
Operations and maintenance	865,167
Capital outlay	182,121
Total expenditures	<u>5,795,070</u>

Excess of revenues over expenditures 1,763,771

Other financing sources (uses):

Payment to Cameron Police Jury	(351,735)
Proceeds from sale of assets	39,389
Total other financing sources (uses):	<u>(312,346)</u>

Net change in fund balance 1,451,425

Fund balance, beginning 9,735,090

Fund balance, ending \$ 11,186,515

The accompanying notes are an integral part of the basic financial statements.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of Governmental Fund
to the Statement of Activities
Year Ended June 30, 2013

Total net change in fund balance for the year ended June 30, 2013 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 1,451,425
Add: Capital outlay costs which are considered expenditures on Statement of Revenues, Expenditures, and Changes in Fund Balance	182,121
Add: Gain on disposal of assets	18,861
Less: Depreciation expense for year ended June 30, 2013	(262,966)
Less: Proceeds from the sale of assets	(39,389)
Less: Increase in OPEB obligation at June 30, 2013	<u>(668,655)</u>
Total changes in net position for the year ended June 30, 2013 per Statement of Activities	<u>\$ 681,397</u>

The accompanying notes are an integral part of the basic financial statements.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Statement of Fiduciary Net Assets and Liabilities
Fiduciary Funds - Agency Funds
June 30, 2013

ASSETS

Assets:

Cash	\$ 684
Interest-bearing deposits	<u>712,165</u>

Total assets	<u>\$ 712,849</u>
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LIABILITIES

Liabilities:

Due to other taxing bodies	\$ 712,733
Due to inmates	<u>116</u>

Total liabilities	<u>\$ 712,849</u>
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The accompanying notes are an integral part of the basic financial statements.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The Sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the Sheriff provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court.

The accounts of the tax collector are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due various taxing bodies and others.

The accounting and reporting policies of the Cameron Parish Sheriff conform to accounting principles generally accepted in the United States of America as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry audit guide, Audits of State and Local Governmental Units.

(1) Summary of Significant Accounting Policies

The accompanying basic financial statements of the Cameron Parish Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, account groups, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish police jury as required by Louisiana law, the Sheriff is financially independent.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of the local government, over which the Sheriff exercises no oversight responsibility, such as the parish council, parish school board, other independently elected officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units are considered separate reporting entities and issue financial statements separate from those of the parish Sheriff.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

The statement of activities presents a comparison between direct expenses and program revenues for the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The Sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Sheriff functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Sheriff are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Sheriff or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The governmental fund of the Sheriff is considered to be a major fund. The funds of the Sheriff are described below:

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

Governmental Fund –

General Fund – This fund is the primary operating fund of the Sheriff and it accounts for the operations of the Sheriff's office. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Sheriff policy.

Fiduciary Funds -

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the Sheriff are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

The amounts reflected in the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Sheriff operations.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental fund uses the following practices in recording revenues and expenditures:

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on January 1 of the subsequent year. The taxes are generally collected in December, January, and February of the fiscal year.

Intergovernmental revenues and fees, charges and commissions for services are recorded when the Sheriff is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures

The Sheriff's primary expenditures include salaries and insurance, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Sheriff. Proceeds from the issuance of debt in the Sheriff's name are accounted for as other financing sources.

D. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. They are stated at cost, which approximates market. See Note (2) for other GASB No. 3 disclosures.

E. Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Sheriff's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 or fewer days, they are classified as cash equivalents.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Sheriff as an extension of formal budgetary integration in the funds.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

G. Bad Debts

Uncollectible amounts due for accounts receivable are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivables. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible receivables was made due to immateriality at June 30, 2013.

H. Prepaid Expenses

Prepaid expense consists of insurance premiums paid during the current fiscal year that benefit the next fiscal year.

I. Capital Assets

Capital assets, which include buildings, furniture, fixtures, equipment, and vehicles, are reported in the governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Vehicles	5
Office furniture	5-10
Equipment	5-10

In the fund financial statements, capital assets used in government fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

J. Vacation and Sick Leave

All full-time employees of the Sheriff's office earn from 5 to 28 days of vacation leave and from 6 to 12 days of sick leave each year, depending on their length of service. Vacation and sick leave cannot be accumulated, and upon resignation or retirement, unused leave is forfeited. At June 30, 2013, the Sheriff has no accumulated and vested benefits relating to vacation and sick leave which requires accrual or disclosure to conform with generally accepted accounting principles.

K. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. There are no deferred outflows of resources and deferred inflows as of June 30, 2013.

L. Equity Classifications

In the government-wide statements, net position is displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restrict net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

In the fund statements, governmental fund equity is classified as fund balance. As such, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Sheriff. The Sheriff is the highest level of decision-making authority for the Sheriff's Office. Commitments may be established, modified, or rescinded only through resolutions approved by the Sheriff.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Sheriff's adopted policy, only he may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

As of June 30, 2013, fund balances are composed of the following:

	<u>General Fund</u>
Nonspendable:	
Prepaid items	\$ 52,161
Unassigned:	<u>11,134,354</u>
Total fund balances	<u>\$11,186,515</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Sheriff considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Sheriff considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Sheriff has provided otherwise in his commitment or assignment actions.

M. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2013, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$14,343,034, as follows:

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Noninterest-bearing deposits	\$ 3,031	\$ 684	\$ 3,715
Interest-bearing deposits	<u>13,627,154</u>	<u>712,165</u>	<u>14,339,319</u>
Total	<u>\$13,630,185</u>	<u>\$ 712,849</u>	<u>\$ 14,343,034</u>

These deposits are stated at cost, which approximates market. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Sheriff's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2013, are secured as follows:

Bank balances	<u>\$ 14,454,903</u>
At June 30, 2013 the deposits are secured as follows:	
Federal deposit insurance	500,000
Uninsured and collateral held by the pledging bank not in the Sheriff's name	<u>13,954,903</u>
Total	<u>\$ 14,454,903</u>

As of June 30, 2013, the Sheriff's total bank balances were insured and/or collateralized with pledged securities held by the custodial bank of the pledging financial institution for the Sheriff and, therefore, they were not exposed to custodial credit risk.

(3) Prepaid Expenses

Prepaid expenses at June 30, 2013 of \$52,161 consisted of prepaid insurance.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

(4) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the parish government in June and are actually billed to taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Cameron Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2013, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 22.16 mills on property with net assessed valuations totaling \$ 280,163,262.

Total law enforcement taxes levied during 2013 were \$6,208,410. There were no taxes receivable at June 30, 2013.

(5) Due From Other Governmental Units

Amounts due from other governmental units at June 30, 2013, consist of the following:

State and local grants	\$ 24,058
Maintenance of prisoners	<u>19,938</u>
Total	<u>\$ 43,996</u>

(6) Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows:

<u>Governmental activities:</u>	<u>Balance</u> <u>7/1/2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2013</u>
Vehicles, furniture, and equipment	\$ 2,000,085	\$ 182,121	\$ (101,455)	\$ 2,080,751
Less: accumulated depreciation	<u>(1,278,024)</u>	<u>(262,966)</u>	<u>80,927</u>	<u>(1,460,063)</u>
Net capital assets	<u>\$ 722,061</u>	<u>\$ (80,845)</u>	<u>\$ (20,528)</u>	<u>\$ 620,688</u>

Depreciation expense in the amount of \$262,966 was charged to public safety.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

(7) Conduit Debt

The Cameron Parish Sheriff in conjunction with the Cameron Parish Police Jury entered into an agreement for the construction of a jail. As part of this agreement the Sheriff will provide the funding to the Cameron Parish Police Jury in an amount not to exceed the payments received from the Chenier funds as described in Note 18. Beyond these payments the Sheriff is not legally responsible therefore, the payment of those funds are not recorded as liability but rather as other financing uses on the Statement of Revenues, Expenditures, and Changes in Fund Balance.

(8) Pension Plan

Substantially all employees of the Cameron Parish Sheriff's office are members of the Louisiana Sheriff's Pension and Relief Fund (retirement system).

Plan Description - The Cameron Parish Sheriff contributes to the retirement system, a cost-sharing, multiple-employer defined benefit plan administered by the Sheriff's Pension and Relief Fund, a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability, and survivor benefits to sheriff and deputy sheriff members throughout the State of Louisiana.

The retirement system issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 219-0500.

Funding Policy - Plan members are required to contribute 10.00% of their annual covered salary and the Cameron Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 13.25% of annual covered payroll. The contribution requirements of plan members and the Cameron Parish Sheriff are established and may be amended by the Sheriffs' Pension and Relief Fund. The Cameron Parish Sheriff's contributions to the Retirement System for the years ended June 30, 2013, 2012, and 2011, were \$415,975, \$432,774, and \$377,826, respectively.

(9) Deferred Compensation Plan

The Sheriff offers its employees participation in the Louisiana Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with the Internal Revenue Code Section 457. The plan is reported as an agency fund in the State of Louisiana's financial statements. The plan, available to all Sheriff employees, permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or proof of hardship.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State of Louisiana (without being restricted to the provisions of benefits under the plan) subject only to the claims of the general creditors of the State of Louisiana. Participants' rights under the plan are equal

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

to those of general creditors of the State of Louisiana in an amount equal to the fair market value of the deferred account for each participant.

The Sheriff pays a 100% match for all contributions made by employees for deferred compensation up to the state statute limitations. The Sheriff's match for the year is \$224,569.

(10) Changes in Agency Fund Balances

A summary of changes in agency fund balances due to taxing bodies and others and due to prisoners follows:

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Inmate Trust Fund	Total
Balances, July 1, 2012	\$ 577	\$ 4,589,717	\$114,358	\$ 311	\$ 4,704,963
Additions	605,418	45,124,827	360,140	20,322	46,110,707
Reductions	<u>(605,427)</u>	<u>(49,065,144)</u>	<u>(411,733)</u>	<u>(20,517)</u>	<u>(50,102,821)</u>
Balances, June 30, 2013	<u>\$ 568</u>	<u>\$ 649,400</u>	<u>\$ 62,765</u>	<u>\$ 116</u>	<u>\$ 712,849</u>

(11) Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others in the tax collector fund at June 30, 2013, includes \$535,093 of taxes paid under protest plus interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

(12) Ex-officio Tax Collector

The amount of cash on hand in the tax collector account at June 30, 2013 consists of:

Payments received in June and disbursed in July were for:

Occupational licenses	\$ 22,723	
Ad Valorem taxes	<u>91,584</u>	\$ 114,307
Protest taxes		<u>535,093</u>
Total		<u>\$ 649,400</u>

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

The amount of taxes collected for the current year by taxing authority was as follows:

	Ad Valorem Taxes	Advance Ad Valorem Tax Payments
Ambulance District #1	\$ 1,468,257	\$ -
Ambulance District #2	2,352,027	221,192
Cameron Hospital District #1	1,727,471	-
Cameron Hospital District #2	563,053	-
Cameron Parish Police Jury	9,861,418	746,146
Grand Lake Fire District #14	1,648	-
Fire District #15	853	-
Fire District #16	1,246	-
Fire District #7	89,160	-
Fire District #9	6,866	-
Gravity Drainage District #3	280,367	-
Gravity Drainage District #4	87,945	-
Gravity Drainage District #5	218,843	-
Gravity Drainage District #7	317,326	83,406
Gravity Drainage District #8	74,507	-
Gravity Drainage District #9	175,062	-
Hackberry Recreation District	485,251	-
Johnson Bayou Recreation District	587,526	126,109
Law Enforcement District	6,229,016	356,642
Louisiana Tax Commission	8,558	-
Recreation District #5	128,981	-
Recreation District #6	447,603	-
Recreation District #7	82,265	-
Recreation District #9	100,417	-
Cameron Parish School Board	13,475,935	811,537
Cameron Parish Assessor	674,750	43,371
Water District #10	378,943	64,890
Water District #11	157,262	-
Water District #2	234,976	-
Water District #7	165,543	-
Water District #9	276,684	-
Water/Wastewater District 1	136,855	-
West Calcasieu-Cameron Hospital	449,133	-
West Cameron Port Commission	231,110	-
Total	<u>\$41,476,857</u>	<u>\$ 2,453,293</u>

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

The amount of taxes assessed and uncollected, and the reason for failure to do so is as follows:

	Unpaid on Movable
Ambulance District #1	\$ 11,842
Ambulance District #2	27
Cameron Hospital District #1	12,330
Cameron Parish Police Jury	19,919
Fire District #7	10
Fire District #9	1,544
Gravity Drainage District #4	7
Gravity Drainage District #5	3,730
Law Enforcement District	18,216
Mosquito Abatement	8,220
Recreation District #6	1,734
Recreation District #7	18
Recreation District #9	1,837
Cameron Parish School Board	37,237
Cameron Parish Assessor	1,973
Water District #7	17
Water District #9	3,850
Water/Wastewater District 1	658
West Cameron Port Commission	221
Total	<u>\$ 123,390</u>

(13) Litigation and Claims

At June 30, 2013, the Sheriff is involved in several lawsuits claiming damages. In the opinion of the Sheriff's legal counsel, resolution of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage.

(14) Post-Retirement Health Care and Life Insurance Benefits

From an accrual accounting perspective, the cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2010, the Sheriff recognizes the cost of postemployment healthcare in the year when employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Sheriff's future cash flows. Because the Sheriff is adopting the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2010 liability.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

Plan Description: The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Sheriff's employees become eligible for these benefits if they reach normal retirement age while working for the Sheriff. The plan is an agent multiple-employer defined benefit health care plan administered by the Louisiana Sheriff's Association Office of Group Benefits. The plan does not issue a publicly available financial report.

The monthly premiums of these benefits for retirees and similar benefits for active employees are paid by the Sheriff. The Sheriff recognizes the cost of providing these benefits (the Sheriff's portion of premiums) as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

Annual OPEB Cost: The Sheriff's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The Sheriff utilizes the level-dollar amortization method to amortize the unfunded actuarial accrued liability.

The following table shows the components of the Sheriff's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the district's net OPEB obligation:

Annual required contribution	\$ 898,087
Interest on net OPEB obligation	78,737
Adjustment to annual required contribution	<u>(118,131)</u>
Annual OPEB cost (expense)	858,693
Assumed Contributions made	<u>(190,038)</u>
Increase in net OPEB obligation	668,655
Net OPEB obligation - beginning of year	<u>1,968,423</u>
Net OPEB obligation - end of year	<u>\$ 2,637,078</u>

The Sheriff's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2011	\$ 730,354	16.6%	\$ 1,249,858
6/30/2012	\$ 873,073	17.7%	\$ 1,968,423
6/30/2013	\$ 858,693	22.1%	\$ 2,637,078

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

Fiscal year 2010 was the year of implementation of GASB Statement No. 45 and the Sheriff has elected to implement prospectively.

Funded Status and Funding Progress: The funded status of the plan as of June 30, 2013, was as follows:

Actuarial accrued liability (AAL)	\$ 8,407,880
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 8,407,880</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 2,519,131
UAAL as a percentage of covered payroll	333.8%

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the Sheriff's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

The schedule of funding progress presented as required supplementary information following the notes to the financial statements, will present multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2011 actuarial valuation the unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

1. Investment return of 4.0% per annum, compounded annually.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

2. Retirement Rates

<u>Age</u>	<u>Male</u>	<u>Female</u>
46-49	26.0%	26.0%
50-54	17.0%	17.0%
55-64	13.0%	13.0%
65 +	12.0%	12.0%

3. 100% of employees who elect coverage while in active employment and who are eligible for retiree benefits are assumed to elect continued medical coverage in retirement.

4. 50% of members electing coverage are assumed to also elect coverage for a spouse.

5. Medical Inflation

<u>Year</u>	<u>Trend</u>
2013	6.3%
2014	6.1%
2015-2018	6.0%
2019-2024	5.9%
2025-2030	5.8%
2031	6.3%
2032	6.8%
2033	6.9%
2034	6.8%
2035	6.6%
2036	6.5%
2037	6.4%
2038	6.3%
2039-2040	6.2%
2041-2042	6.1%
2043	6.0%

(15) Risk Management

The Sheriff is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the Sheriff maintains commercial insurance policies covering automobile liability, medical payments, uninsured motorist, and collision; surety bond coverage; and marine liability. In addition to the above policies, the Sheriff maintains a public officials liability policy and a law enforcement policy. No claims were paid, which exceeded the policies' coverage amount, on any of the policies during the past three years.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

(16) Expenditures of the Sheriff's Office Paid by the Parish Police Jury

The Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the parish courthouse, as required by statute, is paid by the Cameron Parish Government. These expenditures are not included in the accompanying financial statements.

(17) Changes in Long-Term Debt

The following is a summary of long-term debt for the year ended June 30, 2013:

	Balance 7/1/2012	Additions	Reductions	Balance 6/30/2013	Due Within One Year
FEMA note payable	\$ 129,399	\$ -	\$ -	\$ 129,399	\$ 129,399
Net OPEB obligation	1,968,423	668,655	-	2,637,078	-
	<u>\$2,097,822</u>	<u>\$ 668,655</u>	<u>\$ -</u>	<u>\$2,766,477</u>	<u>\$ 129,399</u>

Long-term debt is due as follows:

Year Ending June 30, 2014	<u>Governmental Activities</u>	
	<u>Principal payments</u>	<u>Interest payments</u>
	<u>\$ 129,399</u>	<u>\$ 8,461</u>

Interest on long-term debt is reported as a direct expense in the public safety function, during the year ended June 30, 2013, no payments were made.

(18) Deferred Revenue

Sabine Pass' LNG is a liquefied natural gas receiving facility located within the Cameron Parish boundaries. Sabine Pass' LNG qualified for the State of Louisiana's industrial ad valorem tax abatement program for a ten year period beginning in the year Sabine Pass' LNG's operations commenced. As a result of this abatement, in February 2007, Cameron Parish Sheriff entered into a Cooperative Endeavor and Payment in Lieu of Tax Agreement with Sabine Pass' LNG wherein Sabine Pass' LNG agreed to make advanced payments of its ad valorem tax liability which will begin in the eleventh year after operations commence. In return, Cameron Parish Sheriff agreed to provide Sabine Pass' LNG with a dollar for dollar credit against those future taxes. As a result of these advanced payments, the Cameron Parish Sheriff annually records deferred revenue. These payments will continue to accrue until the ad valorem tax is assessed against Sabine Pass' LNG and the credits are applied at which time the revenue will be recognized by Cameron Parish Sheriff. The balance of deferred revenue at June 30, 2013 is \$2,496,494.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

(19) Occupational Licenses

Collections settled during the year for occupational licenses are as follows:

	<u>Collected</u>	<u>Settled</u>	<u>Unsettled</u>
Cameron Parish Police Jury	\$ 287,144	\$ 267,829	\$ 19,315
Cameron Parish Sheriff's Office	50,672	47,264	3,408
Total	<u>\$ 337,816</u>	<u>\$ 315,093</u>	<u>\$ 22,723</u>

(20) On-behalf Payments

a. Supplemental Pay

Certain employees of the Cameron Parish Sheriff receive supplemental pay from the State of Louisiana. The Sheriff has recognized \$344,749 as a revenue and an expenditure for these on-behalf salary payments.

b. Sheriff's Retirement System Contribution

The Cameron Parish Tax Collector contributed \$206,513 to the Sheriff's Retirement System of Louisiana, a plan in which the Cameron Parish Sheriff participates. The Cameron Parish Sheriff is not legally responsible for these contributions.

(21) Subsequent Events

The Sheriff evaluated subsequent events through October 9, 2013, the date which the financial statements were available to be issued.

(22) New Accounting Pronouncements

During the fiscal year ended June 30, 2013, the Sheriff adopted GASB 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net position*, which provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes the following elements: assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to Financial Statements (Continued)

In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 65, Items Previously Reported as Assets and Liabilities. The statement clarifies the appropriate reporting of deferred outflows of resources or deferred inflows of resources to ensure consistency in financial reporting. The provisions of GASB No. 65 must be implemented by the Sheriff for the fiscal year ended June 30, 2014. The effect of implementation on the Sheriff's financial statements has not yet been determined.

(23) Contingencies

a. Tax Abatement Program

Louisiana's State Constitution Chapter VII Section 21 authorizes the State Board of commerce and Industry to create a ten (10) year ad valorem tax abatement program for new manufacturing establishments in the State. Under the terms of this program, qualified businesses may apply for an exemption of local ad valorem taxes on capital improvements and equipment related to manufacturing for the first ten year of its operation; after which the property will be added to the local tax roll and taxed at the value and millage in force at the time. The future value of this exempt property could be subject to significant fluctuations from today's value; however the Sheriff could receive a substantial increase in ad valorem tax revenues once the exemption on this property expires. Because these taxes are not assessed due, no adjustments have been made to the Sheriff's financial statements to record a receivable. As of June 30, 2013, \$1,267,331,484 of property in the Sheriff's taxing jurisdiction is receiving this exemption.

b. Debt Dispute

The Cameron Parish Sheriff is currently disputing the remaining balance of the FEMA loan. Therefore no payments were made on the debt during the current year and interest will continue to accrue as per the debt holder until payment has occurred. The Cameron Parish Sheriff feels that this balance will be a forgiven debt and no further action is deemed necessary at this time.

**REQUIRED SUPPLEMENTARY
INFORMATION**

CAMERON PARISH SHERIFF
Cameron, Louisiana

General Fund
Budgetary Comparison Schedule
Year Ended June 30, 2013

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 6,100,000	\$ 6,530,000	\$ 6,654,772	\$ 124,772
Intergovernmental revenues -				
Federal grants	20,500	65,655	23,622	(42,033)
State grants - state revenue sharing (net)	64,000	65,548	63,403	(2,145)
State supplemental pay	340,000	340,000	314,289	(25,711)
Other	135,750	152,022	159,332	7,310
Fees, charges, and commissions for services -				
Commissions on licenses, taxes, etc.	42,000	42,000	49,969	7,969
Fines and forfeitures	22,500	22,000	19,937	(2,063)
Civil and criminal fees	35,000	126,100	123,579	(2,521)
Court costs and attendance	21,200	13,200	12,053	(1,147)
Feeding, keeping, and transporting prisoners	120,500	96,750	87,528	(9,222)
Other	19,500	21,850	38,894	17,044
Interest income	14,000	12,000	11,463	(537)
Total revenues	<u>6,934,950</u>	<u>7,487,125</u>	<u>7,558,841</u>	<u>71,716</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	5,035,540	4,665,018	4,623,603	41,415
Operating services	418,000	387,000	124,179	262,821
Operations and maintenance	887,650	931,330	865,167	66,163
Capital outlay	<u>182,000</u>	<u>192,000</u>	<u>182,121</u>	<u>9,879</u>
Total expenditures	<u>6,523,190</u>	<u>6,175,348</u>	<u>5,795,070</u>	<u>380,278</u>
Excess of revenues over expenditures	411,760	1,311,777	1,763,771	451,994
Other financing sources (uses):				
Payments to Cameron Police Jury	(328,000)	-	(351,735)	(351,735)
Proceeds from sale of assets	<u>-</u>	<u>-</u>	<u>39,389</u>	<u>39,389</u>
Total other financing sources (uses)	<u>(328,000)</u>	<u>-</u>	<u>(312,346)</u>	<u>(312,346)</u>
Net change in fund balance	83,760	1,311,777	1,451,425	139,648
Fund balance, beginning	<u>9,735,090</u>	<u>9,735,090</u>	<u>9,735,090</u>	<u>-</u>
Fund balance, ending	<u>\$ 9,818,850</u>	<u>\$ 11,046,867</u>	<u>\$ 11,186,515</u>	<u>\$ 139,648</u>

CAMERON PARISH SHERIFF
Cameron, Louisiana

Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2013

(1) Budgets and Budgetary Accounting

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The chief administrative deputy prepares a proposed budget for the general fund and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Sheriff. Such amendments were not material in relation to the original appropriations.

For the year ended June 30, 2013, expenditures did not exceed appropriations in the General Fund.

CAMERON PARISH SHERIFF
Cameron, Louisiana

Schedule of Funding Progress
For the Year Ended June 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2011	-	8,407,880	8,407,880	0.0%	2,519,131	333.8%
July 1, 2010	-	6,735,170	6,735,170	0.0%	3,138,345	214.6%

CAMERON PARISH SHERIFF
Cameron, Louisiana

Schedule of Employer Contributions for Other Post Employment Benefit Plan
For the Year Ended June 30, 2013

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
June 30, 2013	\$ 898,087	21.2%
June 30, 2012	\$ 898,087	17.2%
June 30, 2011	\$ 741,779	16.4%

**OTHER SUPPLEMENTARY
INFORMATION**

OTHER FINANCIAL INFORMATION

STATE OF LOUISIANA, PARISH OF CAMERON

AFFIDAVIT

The Honorable Ron Johnson, Sheriff of Cameron Parish

BEFORE ME, the undersigned authority, personally came and appeared, Ron Johnson, the Sheriff of Cameron, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$649,400 is the amount of cash on hand in the tax collector account on June 30, 2013;

He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2012, by taxing authority, are true and correct.

All itemized statements of all taxes assessed and uncollected, which indicate the reasons for the failure to collect, by taxing authority, are true and correct.

Ron Johnson
Signature
Sheriff of Cameron Parish

SWORN to and subscribed before me, Notary, this 25th day of November 2013,
in my office in Cameron, Louisiana.

Leann Stewart (Signature)
Leann Stewart (Print), # 72637
Notary Public
6-30-16 (Commission)



AGENCY FUNDS

Sheriff's Fund

To account for funds held in connection with civil suits, garnishments and sheriff's sales and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Tax Collector Fund

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

Bond Fund

To account for the collection of bonds, fines, and costs and payment of these collections to recipients in accordance with applicable laws.

Inmate Fund

To account for the deposits made by, and for, inmates to their individual accounts and the appropriate disbursements to these inmates.

CAMERON PARISH SHERIFF
Cameron, Louisiana
Agency Funds

Combining Balance Sheet
June 30, 2013

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Inmate Fund	Totals
ASSETS					
Cash	\$ 568	\$ -	\$ -	\$ 116	\$ 684
Interest-bearing deposits	<u>-</u>	<u>649,400</u>	<u>62,765</u>	<u>-</u>	<u>712,165</u>
Total Assets	<u>\$ 568</u>	<u>\$ 649,400</u>	<u>\$ 62,765</u>	<u>\$ 116</u>	<u>\$ 712,849</u>
LIABILITIES					
Due to taxing bodies and others	\$ 568	\$ 649,400	\$ 62,765	\$ -	\$ 712,733
Due to inmates and others	<u>-</u>	<u>-</u>	<u>-</u>	<u>116</u>	<u>116</u>
Total Liabilities	<u>\$ 568</u>	<u>\$ 649,400</u>	<u>\$ 62,765</u>	<u>\$ 116</u>	<u>\$ 712,849</u>

CAMERON PARISH SHERIFF
Cameron, Louisiana
Agency Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended June 30, 2013

	<u>Sheriff's Fund</u>	<u>Tax Collector Fund</u>	<u>Bond Fund</u>	<u>Inmate Fund</u>	<u>Totals</u>
Balances, beginning of year	\$ 577	\$ 4,589,717	\$ 114,358	\$ 311	\$ 4,704,963
Additions:					
Deposits -					
Sheriff's sales, suits, and seizures	568,986	-	-	-	568,986
Garnishments	36,432	-	-	-	36,432
Bonds	-	-	18,580	-	18,580
Fines, forfeitures and costs	-	-	341,560	-	341,560
Inmate deposits	-	-	-	20,322	20,322
Taxes, fees, etc., paid to tax collector	-	45,120,585	-	-	45,120,585
Interest	-	4,242	-	-	4,242
Total additions	<u>605,418</u>	<u>45,124,827</u>	<u>360,140</u>	<u>20,322</u>	<u>46,110,707</u>
Total	<u>605,995</u>	<u>49,714,544</u>	<u>474,498</u>	<u>20,633</u>	<u>50,815,670</u>
Reductions:					
Taxes, fees, etc., distributed to taxing bodies and others	490,972	33,562,273	-	-	34,053,245
Deposits settled to -					
State agencies	-	10,726	10,149	-	20,875
Sheriff's General Fund	114,455	7,120,746	103,246	-	7,338,447
Clerk of Court	-	-	11,333	-	11,333
Police Jury	-	8,371,399	143,105	-	8,514,504
District Attorney	-	-	50,163	-	50,163
Judicial expense fund	-	-	17,823	-	17,823
Crime lab	-	-	19,956	-	19,956
Indigent defender board	-	-	55,958	-	55,958
Inmate withdrawals	-	-	-	20,517	20,517
Total reductions	<u>605,427</u>	<u>49,065,144</u>	<u>411,733</u>	<u>20,517</u>	<u>50,102,821</u>
Balances, end of year	\$ 568	\$ 649,400	\$ 62,765	\$ 116	\$ 712,849

**INTERNAL CONTROL,
COMPLIANCE,
AND
OTHER MATTERS**

C. Burton Kolder, CPA*
 Russell F. Champagne, CPA*
 Victor R. Slaven, CPA*
 Gerald A. Thibodeaux, Jr., CPA*
 Robert S. Carter, CPA*
 Arthur R. Mixon, CPA*
 Penny Angelle Scruggins, CPA
 Christine C. Doucet, CPA

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 Allen J. LaBry, CPA
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 W. Jeffrey Lowry, CPA
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 Conrad O. Chapman, CPA* 2006

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Ron Johnson
 Cameron Parish Sheriff
 Cameron, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Cameron Parish Sheriff, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Cameron Parish Sheriff's basic financial statements and have issued our report thereon dated October 9, 2013.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Cameron Parish Sheriff's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Cameron Parish Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Cameron Parish Sheriff's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of current and prior year audit findings and management's corrective action plan, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Sheriff's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as items 13-1 and 13-2, to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Cameron Parish Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as items 13-3.

Cameron Parish Sheriff's Response to Findings

The Sheriff's response to the findings identified in our audit is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. The Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 9, 2013

CAMERON PARISH SHERIFF
Cameron , Louisiana

Schedule of Current and Prior Year Audit Findings
And Management's Corrective Action Plan
Year Ended June 30, 2013

Part I: Current Year Findings and Management's Corrective Action Plan

A. Internal Control Over Financial Reporting

13-1 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

CONDITION: The Sheriff did not have adequate segregation of functions within the accounting system.

CRITERIA: SAS109, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, AU§314.43 defines internal control as follows:

“Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.”

Additionally, Statements on Standards for Attestation Engagements (SSAE) AT§501.03 states:

“An entity's internal control over financial reporting includes those policies and procedures that pertain to an entity's ability to record, process, summarize, and report financial data consistent with the assertions embodied in either annual financial statements or interim financial statements, or both.”

CAUSE: The cause of the condition is the fact that the Sheriff does not have a sufficient number of staff performing administrative and financial duties so as to provide adequate segregation of accounting and financial duties.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Management should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

CAMERON PARISH SHERIFF
Cameron , Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan (continued)
Year Ended June 30, 2013

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Sheriff determined that it is not cost effective to achieve complete segregation of duties within the accounting department. As such, management has determined that no plan is considered necessary.

13-2 Application of Generally Accepted Accounting Principles (GAAP)

Fiscal year finding initially occurred: Unknown

CONDITION: The Sheriff does not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including the related notes in accordance with generally accepted accounting principles (GAAP).

CRITERIA, AU-C§265.A37 identifies the following as a deficiency in the design of (internal) controls:

“... in an entity that prepares financial statements in accordance with generally accepted accounting principles, the person responsible for the accounting and reporting function lacks the skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements.”

CAUSE: The cause of the condition is the result of a failure to design or implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Financial statements and related supporting transactions may reflect a material departure from generally accepted accounting principles.

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Sheriff has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the Sheriff to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

CAMERON PARISH SHERIFF
Cameron , Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan (continued)
Year Ended June 30, 2013

B. Compliance

13-3 Budget noncompliance

Fiscal year finding initially occurred: 2013

CONDITION: Advertising and adoption of the original budget were conducted after the fiscal years begin date.

CRITERIA: LSA-RS 39:1306 B., Completion and submission of the proposed budget, provides for the following:

“B. The proposed budget for a registrar of voters and independently elected parish offices including the office of assessor, clerk of district court, coroner, district attorney, and sheriff shall be completed and made available for public inspection as provided for in R.S. 39:1308 no later than fifteen days prior to the beginning of each fiscal year.”

CAUSE: The condition is a result of failure to properly monitor the budget process.

EFFECT: The Sheriff may not prevent and/or detect compliance violations and/or errors or irregularities on a timely basis.

RECOMMENDATION: The Sheriff should allow fifteen days prior to the beginning of each fiscal year for public inspection and completion of the budget.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Honorable Ron Johnson, Sheriff, and management will ensure that the adoption of the budget for the future follows all applicable adoption laws. The Sheriff did not take office until July 2012 and did not approve the budget until he was in office.

CAMERON PARISH SHERIFF
Cameron , Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan (continued)
Year Ended June 30, 2013

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

12-1 Inadequate Segregation of duties

CONDITION The Sheriff did not have adequate segregation of duties within the accounting function.

RECOMMENDATION: Based upon the cost-benefit of additional personnel, it would not be feasible to achieve complete segregation of duties.

CURRENT STATUS: Unresolved. See item 13-1.

12-2 Application of Generally Accepted Accounting Principles (GAAP)

CONDITION: The Sheriff does not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including the related notes in accordance with generally accepted accounting principles (GAAP).

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

CURRENT STATUS: Unresolved. See item 13-2